

HURRICANE MITCH RECONSTRUCTION UPDATE



USAID/Nicaragua Hurricane Mitch Reconstruction Program

(U.S. Millions of Dollars)	\$103.6
Public Health	30.6
Economic Reactivation	53.5
Disaster Mitigation	6.6
Education	4.5
Municipal Infrastructure	2.9
Transparency and Accountability	1.0
Food Aid	4.5



Departments of Nicaragua
Affected by Hurricane Mitch

SECURING AN ECONOMIC FUTURE THROUGH ORGANIC FARMING

Soledad de la Cruz, Nicaragua—In a field that would have been barren except for weeds, David Rivas now had a flourishing onion crop. For lack of water, Rivas had never planted during the dry season before and he had never planted organic onions, until now.

“This is the first time in my 25 years of life that we have ever planted anything during this time of year,” said Rivas, who farms this plot of land with his father and three brothers.

Rivas is one of 10 small producers in the Sébaco Valley participating in a USAID-funded pilot organic onion project. The \$25,230 for the organic onion project comes from the \$6.3 million that Catholic Relief Services (CRS) received from USAID’s Hurricane Mitch Reconstruction program to finance an agriculture rehabilitation and credit program. Project promoters view organic onion farming as



Farmer David Rivas is one of 10 producers participating in a \$25,230 pilot program, financed by USAID, to grow organic onions in the Sébaco Valley.

an alternative for small producers in the Sébaco Valley, who lost their crops during Hurricane Mitch followed by two years of drought that severely affected yields. The project will be expanded next growing season to include 40 producers with an additional \$100,000 in financing from USAID.

The pilot project is being implemented by CARITAS, a local non-governmental organization that provides agricultural extensionists and through Soledad Orgánica, a private company with experience in organic vegetable production. The 10 farmers participating in the project were selected based on their past experience and knowledge in horticulture cultivation, favorable agricultural conditions on their farms and most importantly, their willingness to try new farming methods.

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Organic farming requires more labor resulting in more jobs in the Sebaco Valley. Producers costs are covered by the price they receive for the organic produce—double the price of non-organic.

SECURING AN ECONOMIC FUTURE...

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The project required that each of the farmers take a small plot of their land, about 3/4 of a hectare in size, install a drip irrigation system, and grow onions with organic fertilizers and natural pest control. The producers received loans, financed by the project, for the installation of the irrigation systems and the repair or construction of wells.

The farmers were trained by Soledad Orgánica in preparing organic fertilizers from cattle and chicken dung and ashes. Pests were controlled with neem tree oil, liquid soap, yeast and botanical insecticides.

"This was the first time that I didn't use commercial chemical fertilizers and insecticides," said Rivas, "Now I've learned how to combat blights naturally,"

By using organic fertilizers and natural pest controls, the farmers reduce production costs and protect the environment and their own health. While labor costs are higher, as more workers are required for organic production, the difference in price that farmers receive for organic onions compared to regular onions more than compensates the extra labor costs.

While producers of non-organic onions sold their harvest at \$12 the hundred-weight, organically grown onions sold for \$23 the hundred-weight. In addition, the farmers already have a U.S. market for their crops through Soledad Orgánica, who will process and export the organic



The USAID-funded project financed the installation of drip irrigation systems that have allowed farmers to grow crops, for the first time, during the dry season.

onions under the Mambo Sweets label.

For German Matamoros, another farmer participating in the program, the profits from the onion sales will finally bring some relief to his family after nearly three years of hardships. The family lost

their crops and home during Hurricane Mitch and were forced to relocate. This was followed by two years of drought and poor crops. They have survived by participating in a USAID-funded Food for Work community improvement project.

"We have always lived by farming but we never could get ahead. Finally we have an alternative that can guarantee us a better future," said Matamoros.

Going beyond the personal benefits from the project, David Rivas sees organic farming as a contribution to the environment: "This will not just benefit the future of Nicaragua. By taking care of the environment, we guarantee a future for our planet."



After three years of crop loss, the organic onion project has finally given German Matamoros an economic boost.

"We have always lived by farming but we never could get ahead. Finally we have an alternative that can guarantee us a better future."

German Matamoros, one of ten farmers participating in the USAID-funded organic onion project.



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